CANINE PARTNERS FOR LIFE

FINANCIAL STATEMENTS
AND
AUDITORS' REPORT

YEAR ENDED June 30, 2025
(With Comparative Totals for 2024)

CANINE PARTNERS FOR LIFE

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Independent Auditor's Report

Board of Directors
Canine Partners for Life
Cochranville, Pennsylvania

Opinion

We have audited the accompanying financial statements of Canine Partners for Life (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Canine Partners for Life as of June 30, 2025, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Canine Partners for Life and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Canine Partners for Life's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Canine Partners for Life's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Canine Partners for Life's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited Canine Partners for Life's 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 22, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

SNYDER, DAITZ & COMPANY
Philadelphia, PA

January 30, 2026

CANINE PARTNERS FOR LIFE

STATEMENT OF FINANCIAL POSITION
June 30, 2025
(With Comparative Totals for 2024)

ASSETS

	2025	2024
CURRENT ASSETS		
Cash and cash equivalents	$ 2,192,572	$ 2,002,695
Grants and contributions receivable	37,100	151,934
Accounts receivable	5,082	872
Prepaid expenses	7,805	5,419
Total Current Assets	$ 2,242,559	$ 2,160,920
NON-CURRENT ASSETS		
Investments, at market value	$ 456,007	$ 433,125
Grants and contributions receivable	0	25,000
Property and equipment, (net of deprecation of $2,619,690 and $2,435,119)	3,766,987	3,940,822
Pre-construction costs	366,290	156,404
	$ 4,589,284	$ 4,555,351
Total Assets	$ 6,831,843	$ 6,716,271

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued expenses	$ 112,273	$ 11,904
Payroll and withholding payable	59,142	17,010
Total Current Liabilities	$ 171,415	$ 28,914
Total Liabilities	$ 171,415	$ 28,914
NET ASSETS		
Without donor restrictions	$ 5,825,352	$ 5,661,445
With donor restrictions	835,076	1,025,912
	$ 6,660,428	$ 6,687,357
Total Liabilities and Net Assets	$ 6,831,843	$ 6,716,271

The accompanying letter and notes are an integral part of this statement.

CANINE PARTNERS FOR LIFE

STATEMENT OF ACTIVITIES
Year ended June 30, 2025
(With Comparative Totals for 2024)

	Without Donor Restrictions	With Donor Restrictions	Total 2025	Total 2024
REVENUE				
Contributions	$ 1,384,163	$ 75,265	$ 1,459,428	$ 1,322,958
Special events	175,307		175,307	175,520
Investment income	85,201	30,072	115,273	93,626
Rent	11,400		11,400	10,625
Other revenue	9,079		9,079	8,726
Net assets released from restrictions	296,173	(296,173)	0	0
Total Support and Revenue	$ 1,961,323	$ (190,836)	$ 1,770,487	$ 1,611,455
EXPENSES AND LOSSES				
Program services				
Breeding and puppy raising	$ 555,332		$ 555,332	$ 509,669
Training and follow-up	501,274		501,274	461,756
General education	381,138		381,138	372,462
	$ 1,437,744	0	$ 1,437,744	$ 1,343,887
Support services				
Administration	191,792		191,792	184,337
Fundraising	142,970		142,970	147,652
Capital campaign	24,910		24,910	28,001
Total Expenses	$ 1,797,416	0	$ 1,797,416	$ 1,703,877
Change in Net Assets	$ 163,907	$ (190,836)	$ (26,929)	$ (92,422)
Net Assets, Beginning	5,661,445	1,025,912	6,687,357	6,779,779
Net Assets, Ending	$ 5,825,352	$ 835,076	$ 6,660,428	$ 6,687,357

The accompanying letter and notes are an integral part of this statement.

CANINE PARTNERS FOR LIFE

STATEMENT OF FUNCTIONAL EXPENSES
Year ended June 30, 2025
(With Comparitive Totals for 2024)

	PROGRAM SERVICES				SUPPORTING SERVICES					
	BREEDING AND PUPPY RAISING	TRAINING AND FOLLOW-UP	GENERAL EDUCATION	SUBTOTAL	MANAGEMENT AND GENERAL	FUNDRAISING	CAPITAL CAMPAIGN	TOTAL	TOTAL 2025	TOTAL 2024
PERSONNEL										
Salaries	$ 185,991	$ 304,397	$ 197,537	$ 687,925	$ 131,775	$ 93,682	$ 18,959	$ 244,416	$ 932,341	$ 858,999
Payroll tax expense	13,647	22,518	14,330	50,495	8,871	7,506	1,365	17,742	68,237	64,259
Employee benefits	9,741	16,073	10,229	36,043	6,332	5,358	974	12,664	48,707	26,913
	$ 209,379	$ 342,988	$ 222,096	$ 774,463	$ 146,978	$ 106,546	$ 21,298	$ 274,822	$ 1,049,285	$ 950,171
Audit and accounting	0	0	0	0	10,589	0	0	10,589	10,589	11,204
Bank fees	0	0	0	0	0	0	0	0	0	644
Breeding	17,211	0	0	17,211	0	0	0	0	17,211	10,330
Computer and communications	11,912	10,210	9,530	31,652	1,702	681	0	2,383	34,035	35,188
Continuing education	0	3,786	0	3,786	0	0	0	0	3,786	2,516
Development / public relations	0	24,574	24,574	49,148	180	4,274	0	4,454	53,602	57,832
Dog expenses, feeding and bedding	47,044	0	0	47,044	0	0	0	0	47,044	36,080
Insurance	10,583	9,071	8,466	28,120	1,512	605	0	2,117	30,237	35,786
Legal fees	0	0	0	0	175	0	0	175	175	9,375
Logo items	0	1,000	5,331	6,331	0	0	0	0	6,331	6,852
Miscellaneous	0	0	504	504	758	44	0	802	1,306	2,735
Postage	0	0	631	631	4,950	963	0	5,913	6,544	5,790
Professional memberships	6,062	0	0	6,062	0	0	0	0	6,062	5,703
Professional fees	1,620	2,672	1,701	5,993	4,036	2,391	3,612	10,039	16,032	21,667
Repair and maintenance	21,839	18,720	17,472	58,031	3,120	1,248	0	4,368	62,399	57,052
Special events	0	7,525	21,414	28,939	0	21,412	0	21,412	50,351	56,733
Supplies	5,148	8,587	2,596	16,331	6,083	17	0	6,100	22,431	25,520
Taxes - property	322	322	0	644	0	0	0	0	644	632
Travel	3,469	1,571	1,258	6,298	0	106	0	106	6,404	6,384
Utilities and trash removal	17,357	14,877	13,885	46,119	2,480	992	0	3,472	49,591	40,801
Veterinarian	137,713	0	0	137,713	0	0	0	0	137,713	150,821
Volunteers	1,073	0	0	1,073	0	0	0	0	1,073	1,309
Depreciation	64,600	55,371	51,680	171,651	9,229	3,691	0	12,920	184,571	172,774
	$ 555,332	$ 501,274	$ 381,138	$ 1,437,744	$ 191,792	$ 142,970	$ 24,910	$ 359,672	$ 1,797,416	$ 1,703,877

The accompanying letter and notes are an integral part of this statement.

CANINE PARTNERS FOR LIFE

STATEMENT OF CASH FLOWS
Year ended June 30, 2025
(With Comparative Totals for 2024)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	$ (26,929)	$ (92,422)
Adjustments to reconcile to cash from operations		
Depreciation	184,571	172,775
(Gain) Loss on disposition of securities	(98,579)	(8,542)
Unrealized (gain) loss on securities held	68,936	(19,987)
Interest and dividends	(9,805)	(12,309)
Contributions restricted for capital project	(120,499)	(114,724)
In-kind receipt of securities	(2,583)	(20,581)
(Increase) decrease in:		
Grants receivable	139,834	173,390
Accounts receivable	(4,210)	(202)
Prepaid expenses	(2,386)	32,326
Increase (decrease) in:		
Accounts payable and accrued expenses	619	(291)
Payroll and withholding payable	42,132	(23,557)
Net cash provided by operating activities	$ 171,101	$ 85,876
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	$ 454,297	$ 161,187
Interest and dividends	9,805	12,309
Purchase of investments, net of fees	(444,953)	(115,295)
Purchase of property and equipment	(10,736)	(115,528)
Preconstruction costs	(110,136)	(99,332)
Net cash used by investments	$ (101,723)	$ (156,659)
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions restricted for capital project	$ 120,499	$ 114,724
Net Increase in Cash for Year	$ 189,877	$ 43,941
Cash balance, beginning	2,002,695	1,958,754
Cash balance, ending	$ 2,192,572	$ 2,002,695

The accompanying letter and notes are an integral part of this statement.

NOTE 1 – THE ORGANIZATION

The mission of the Canine Partners for Life is to enhance the independence and quality of life of individuals with physical, developmental, and cognitive disabilities or who are in other situations of need. The mission is achieved by providing and sustaining professionally trained service and companion dogs.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Date of Management's Review

Subsequent events were evaluated through January 30, 2026, which is the date the financial statements were available to be issued.

Basis of Accounting

The Organization prepares its financial statements in accordance with accounting principles generally accepted in United States of America, which involves the application of accrual accounting. Consequently, revenues and gains are recognized when earned and expenses and losses are recognized when incurred.

Basis of Presentation

The financial statements are presented in accordance with FASB ASC 958 Presentation of Financial Statements of Not-for-Profit Entities. Under FASB ASC 958, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Net assets with donor restrictions are detailed in Note 8.

Management Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash

Cash and other highly liquid investments with maturities of three months or less are considered to be cash equivalents.

Cash includes balances restricted to use within the guidelines of grants from the Organization's funding sources. These balances totaled approximately $754,000 and $808,000 as of June 30, 2025 and 2024.

Investments

Investments are reported at their fair market value in the statement of financial position. Unrealized gains and losses are included in the change in net assets.

An account with a financial services firm is insured by the Security Investors Protection Corporation (SIPC) up to $500,000. The balance exceeds that limit.

A portion of the investments is restricted as detailed above.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Allowance for Uncollectible Amounts

Each account receivable and grant receivable is evaluated separately by management on a regular basis to determine collectability. An allowance for uncollectible amounts, if any, is based on this determination. There was no allowance at June 30, 2025 or 2024, as all amounts were considered collectible. When a question of the collectability of a particular receivable arises, it is written off or reserved for at that time. Recoveries of items previously charged off are recognized as income when received.

Property and Equipment

Property and equipment are recorded at cost or, if donated, at the approximate fair value at the date of donation. Depreciation of property and equipment is provided over the estimated useful lives of the related assets using the straight-line method. Major renewals and improvements are recorded to the assets accounts while maintenance and repairs which do not improve or extend the life of the respected assets are expensed.

The estimated useful lives of depreciable assets are:

Buildings and improvements	15 - 40 years
Furniture and equipment	5 - 10 years

Revenue

Exchange Transactions

The Organization accounts for its revenue from application fees and providing program supplies, as exchange transactions. Revenue is recognized in the statement of activities when earned, and any amounts received but not earned are recorded as refundable advances on the statement of financial position.

Contributions

In accordance with FASB ASC 958 (formerly SFAS No. 116) Accounting for Contributions Received and Contributions Made, contributions received are recorded as "without donor restrictions" or "with donor restrictions", depending on the existence and/or nature of any donor restrictions. Contributions that are restricted by the donor are reported as without donor restriction if the restriction expired in the reporting period in which the contribution was recognized.

All other donor-restricted support is reported as an increase in with donor restricted net assets. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions. Only a donor can impose a restriction; the Board may designate contributions for a purpose, but the contribution is classified as unrestricted in that case. If a contribution is made with a donor-imposed condition, it is not recorded until the condition has been met.

The organization has received a conditional five-year pledge for $50,000, payable upon groundbreaking for a new training facility, which is not yet recorded in the financial statements.

Promises to Give

Unconditional promises to give are recognized as support in the period received and as net assets, decreases of liabilities, or expenses depending on the form of the benefits received. Unconditional promises to give are recorded at net realizable value if expected to be collected in one year and at fair value if expected to be collected in more than one year. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

NOTE 2 – SUMMARY OF AND SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Functional Allocation of Expenses

Salaries and benefits are allocated based on estimates of individual employee's time and effort. Occupancy expense, insurance, communications, utilities and interest are allocated based on the percentages derived from the estimated allocation of salaries. Professional fees, including those for legal, accounting and financial fees, which can be related directly to either program or administrative, are reflected as such. Cost including breeding, veterinary, feeding, bedding and other dog expenses, memberships and education are related directly to the Organization's programs and are thus reflected as program costs. Cost including public relations, logo items, postage, printing, events, supplies, travel and other miscellaneous expenses are allocated based on the cost, usage and related benefits of the specific goods and services provided. Certain other costs including equipment, repair and maintenance, and depreciation are allocated directly for items where applicable, with remaining items allocated based on the cost, usage and related benefits of the specific items.

Income Taxes

Canine Partners for Life is a nonprofit corporation exempt from taxation under Section 501(c)(3) of the Internal Revenue Code.

Canine Partners for Life regularly reviews and evaluates its tax positions taken in previously filed information returns and as reflected in its financial statements, with regard to issues affecting its tax-exempt status, unrelated business income, and related matters. The Organization believes that in the event of an examination by taxing authorities, the Organization's positions would prevail based upon the technical merits of such positions. Therefore, the Organization has concluded that no tax benefits or liabilities are required to be recognized.

NOTE 3 – LIQUIDITY MANAGEMENT

Canine Partners for Life's financial assets available within one year of the balance sheet date for general expenditures are as follows:

Financial assets at year end:	
Cash and cash equivalents	$2,192,572
Grants and contributions receivable	37,100
Accounts receivable	5,082
Investments	456,007
Total financial assets	$2,690,761
Less: Amounts not available to be used within one year:	
Net assets with purpose restrictions	
Cash	($ 754,197)
Grants and contributions receivable	(12,100)
Investments:	
Chester County Community Foundation	(19,571)
Delaware Community Foundation	(24,208)
	($ 810,076)
Financial assets available to meet general expenditures Over the next year	$1,880,685

NOTE 3 – LIQUIDITY MANAGEMENT – CONTINUED

Cash and cash equivalents of $2,192,572 reflected on the statement of financial position includes $754,197 of cash restricted by donors for certain purposes.

Grants and contributions receivable of $37,100 reflected on the statement of financial position includes $12,100 restricted by donors for certain purposes.

The investments of $456,007 reflected on the statement of financial position can be liquidated with board authorization and would be available if necessary, except for the $43,779 of beneficial interests in funds held at Chester County Community Foundation and Delaware Community Foundation.

Canine Partners for Life's goal is generally to maintain financial assets available to meet 90 days of operating expenses.

As part of its liquidity plan, the Organization's finance committee performs a quarterly review of its financial statements and cash flows with management and accountant. Excess cash is invested primarily in money market accounts, and an investment account where it is available to be drawn upon as needed with board approval.

NOTE 4 – INVESTMENTS AND FAIR VALUE MEASUREMENTS

The Organization's investments are reported at fair value in the accompanying statement of financial position:

		Fair Value Measurements Using:		
	Cost	Fair Value	Quoted Prices In Active Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)
June 30, 2025				
Merrill Lynch				
Marian S. Ware Fund				
Equity securities	$246,189	$ 290,079	$ 290,079	$ 0
Corporate bonds	97,553	100,016	100,016	0
Cash and money market funds	22,133	22,133	22,133	0
Total Fidelity Investments	$365,875	$ 412,228	$ 412,228	$ 0
Beneficial Interests in Funds Held by Community Foundations				
Chester County Community Foundation Endowment Fund	13,000	19,571	0	19,571
Delaware Community Foundation Endowment Fund	14,500	24,208	0	24,208
Total at Community Foundations	$ 27,500	$ 43,779	$ 0	$43,779
Total	$393,375	$ 456,007	$ 412,228	$43,779

NOTE 4 – INVESTMENTS AND FAIR VALUE MEASUREMENTS – CONTINUED

		Fair Value Measurements Using:		
	Cost	Fair Value	Quoted Prices In Active Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)
June 30, 2024				
Fidelity Investments				
Marian S. Ware Fund				
Equity securities	$146,628	$ 269,767	$ 269,767	$ 0
Corporate bonds	76,462	67,197	67,197	0
U.S. Treasury securities	24,352	24,785	24,785	0
Cash and money market funds	30,388	30,388	30,388	0
Total Fidelity Investments	$277,830	$ 392,137	$ 392,137	$ 0
Beneficial Interests in Funds Held by Community Foundations				
Chester County Community Foundation Endowment Fund	13,000	18,306	0	18,306
Delaware Community Foundation Endowment Fund	14,500	22,682	0	22,682
Total at Community Foundations	$ 27,500	$ 40,988	$ 0	$40,988
Total	$305,330	$ 433,125	$ 392,137	$40,988

In 1999, the Organization established an Endowment Fund with Chester County Community Foundation and Delaware Community Foundation. The funds were irrevocably transferred to the community foundations, where they are held in diversified investment portfolios. The Organization is permitted by Pennsylvania law to spend between 2% and 7% of the average balance of the funds over the past 3 years. Distributions from the funds may be spent on the general charitable purpose of the Organization.

The Endowment Funds held at Chester County Foundation and Delaware Community Foundation are recorded as assets in these financial statements. This is in accordance with FASB ASC 958-605 (formerly FAS 136, Transfers of Assets to a Not-for-Profit Organization or Charitable Trust that Raises or Holds Contributions for Others), as the Organization has the right to receive the distributions from the income from the Endowment Funds. Also, in accordance with FASB ASC 985-605, these amounts contributed by the Organization to the community foundation funds are classified as permanently restricted net assets in the financial statements. Amounts contributed directly by other donors to the Endowment Fund, if any, are not reflected in the financial statements.

Gains and losses (realized and unrealized) include changes in net assets for the years ended June 30, 2025 and 2024 are reported in investment income. All realized gains and losses for 2025 and 2024 were a result of transactions where values have been measured using Level 1 inputs. Unrealized gains and losses for 2025 and 2024 included $4,435 and $4,207 of gains where values have been measured using Level 2 inputs.

NOTE 4 – INVESTMENTS AND FAIR VALUE MEASUREMENTS – CONTINUED

FASB ASC 820-10 (Formerly SFAS No. 157, *Fair Value Measurements),* establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority; Level 2 inputs are those other than Level 1 that are observable , either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; and Level 3 inputs are those unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities, and have the lowest priority. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value, otherwise Level 2 inputs are used where available to the Organization, and Level 3 inputs are only used when Level 1 and 2 inputs are not available.

Level 1 Fair Value Measurements

The fair value of mutual funds, equity securities and bonds are based on quoted net asset values of the shares held at year-end.

Level 2 Fair Value Measurements

The fair value of Beneficial Interests in Funds Held by Community Foundations are valued at the fair value of the assets held at the foundation at year end.

NOTE 5 – GRANTS AND CONTRIBUTIONS RECEIVABLE

Represents unconditional promises to give as explained in Note 2, consisting of the following:

	2025	2024
Capital Campaign	$ 12,100	$ 112,100
Time restricted operating grants	25,000	65,000
	$ 37,100	$ 177,100
Less: Unamortized discounts	0	(166)
	$ 37,100	$ 176,934
Amounts due in:		
Less than one year	$ 37,100	$ 151,934
One to five years	0	25,000
	$ 37,100	$ 176,934

NOTE 6 – PROPERTY AND EQUIPMENT

Property and equipment at cost, is summarized as follows:

	2025	2024
Land	$ 181,570	$ 181,570
Land improvements	401,907	401,907
Buildings	5,051,395	5,051,395
Equipment	751,805	741,069
	$6,386,677	$6,375,941
Less: Accumulated depreciation	2,619,690	2,435,119
	$3,766,987	$3,940,822

Depreciation expense charged to operations for the years ended June 30, 2025 and 2024 was $184,571 and $172,775, respectively.

NOTE 7 – PRE-CONSTRUCTION COSTS

Represents project costs incurred for assets to be capitalized but not yet placed in service at fiscal year-end. These costs relate to the planned installation of an elevator in the Organization's program services center, the construction of a new training facility, and dog tracking software.

	2025	2024
Elevator	$ 21,656	$ 21,656
Training facility	224,426	35,426
Dog tracking software	120,208	99,322
	$ 366,290	$ 156,404

NOTE 8 – NET ASSETS

Net Assets without Donor Restrictions

Net assets without donor restrictions represent funds retained by Canine Partners for Life that were received without any donor-imposed restrictions. In addition, donor-restricted contributions whose restrictions have been met in the same reporting period are reported as unrestricted support.

Net Assets with Donor Restrictions

Net assets with donor restrictions represent resources restricted by the donor as to time of usage of the funds or the purpose for which the funds will be used. Restricted net assets are available for the following purposes:

	2025	2024
Capital campaign	$ 736,905	$ 915,425
Service dog training	15,528	15,000
Golf cart	10,000	0
Prison puppy program	2,600	1,997
Various other programs	1,264	2,502
Time restricted operating grants	25,000	50,000
	$ 791,297	$ 984,924
Endowment funds held at community foundations (see Note 2), the income from which has not been restricted, and may be spent within the charitable purposes of the Organization.	43,779	40,988
	$ 835,076	$1,025,912

NOTE 9 – RETIREMENT PLAN

During the fiscal year ended June 30, 2009, the Organization started a SIMPLE (Savings Incentive Match Plan for Employees) IRA. Employees who earn at least $5,000 in two previous years and expect to earn that much this year are eligible to participate. Employees who participate in the Plan are eligible for a CPL match up to 3% of gross salary, after one year of employment. The Organization made matching contributions of approximately $10,800 and $13,500 to the SIMPLE IRA Plan during the years ended June 30, 2025 and 2024.

NOTE 10 – DONATED SERVICES

The Organization has recognized $79,194 and $55,678 in donated services for the years ended June 30, 2025 and 2024 as required under FASB ASC 958 (formerly SFAS No. 116) from various persons requiring specialized skills. In addition, the Organization receives donated services from over 500 volunteers not meeting the criteria for recognition.

NOTE 11 – COMPENSATED ABSENCES

The Organization provides paid vacation for its full-time employees. The amount of unused vacation at June 30, 2025 and 2024 was approximately $11,800 and $11,700, respectively.

NOTE 12 – CONCENTRATION RISK

Cash

The Organization maintains its bank accounts in financial institutions with insurance provided by the Federal Deposit Insurance Corporation up to $250,000. Uninsured balances were approximately $1,901,800 and $1,676,700 as of June 30, 2025 and 2024.

Receivable

As of June 30, 2025, three sources represented in excess of 10% of total grants and contributions receivable. The receivables from these sources was approximately $34,500 or 93% of total receivables in 2025.

As of June 30, 2024, two sources represented in excess of 10% of total grants and contributions receivable. The receivables from these sources was approximately $150,000 or 85% of total receivables in 2024.

Revenue

For the year ended June 30, 2025, revenue from one source was in excess of 10% of total revenue. Revenue from this source was $225,000, or approximately 14% of total revenue.

NOTE 13 – POSSIBLE CONTINGENT LIABILITY

The Organization has determined that it may be subject to a possible contingent liability in connection with the termination of a former employee. Based on current facts and circumstance the Organization deems the liability unlikely to occur, and the possible amount involved cannot be reasonably estimated. The expectation is that the case will be denied by the Equal Employment Opportunity Commission, and that any future lawsuit will be dismissed with the allegations being unfounded. Any legal fees are covered by insurance, so Canine Partners for Life will not incur additional expenses related to this matter.